

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



July 13, 2016

COG PRODUCTION, LLC
Attn: Ms. Melanie J. Wilson

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7434

COG Operating, LLC
OGRID 229137
Myox 5 State Com Well No. 22H
API No. 30-015-43706

Proposed Location:

	<u>Footages</u>	<u>Unit</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	225` FSL & 2280` FEL	O	5	26S	28E	Eddy
Penetration Point	330` FSL & 2310` FEL	O	5	26S	28E	Eddy
Final perforation	100` FNL & 2310` FEL	B	32	25S	28E	Eddy
Terminus	50` FNL & 2310` FEL	B	32	25S	28E	Eddy

Proposed Project Area:

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 E/2 of Section 32	160	WC-015 G-06 S2628050; Upper Wolfcamp	40306
W/2 E/2 of Section 5	160	WC-015 G-06 S2628050; Upper Wolfcamp	40306

Reference is made to your application received on June 13, 2016.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

The intended pool WC-015 G-06 S2628050; Upper Wolfcamp, (Pool No. 40306) is understood by the OCD to be a wildcat pool that is covered by State Wide rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that you are seeking this NSL in order to maximize recovery of reserves within the intended pool.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



DAVID R. CATANACH
Director

DRC/lrl

cc: Oil Conservation Division – Artesia District
State Land Office – Oil, Gas, and Minerals Division